

This is Governor Haley Barbour.

There are some things you need to know about President Obama's latest budget proposal: It spends too much, taxes too much, and borrows too much.

Governors like me in states with a lot of middle and lower income people are very concerned the Democrats' unrestrained spending spree will further hurt the economy and hinder job creation.

This hurt will likely be felt across the board, but it's especially severe in one major sector: Energy.

America's been a country with an abundant and relatively cheap energy economy for the four hundred years since the Jamestown settlement was established.

Whether it was wood or coal, oil and gas, or nuclear, in prior history, one of our comparative advantages has been a plentiful supply of cheap energy that was produced at home.

Today, we spend nearly \$700 billion dollars every year buying foreign oil representing the greatest transfer of wealth in the history of mankind ... at least until the Obama stimulus package came along.

Through President Obama's "cap and trade" proposal, taxes on energy will go up and ultimately will be paid by consumers in the form of higher prices, even churches and schools, and higher taxes on farmers, small businesses and big factories.

This means new, higher taxes on many of the very people who are trying to create jobs in this troubled Obama economy, just what shouldn't be done in a recession.

But, then, why should we be surprised. In an interview with a California newspaper in January 2008, then candidate Obama conceded electricity rates would skyrocket as his new restrictions are forced on energy producers. His new Energy Secretary went even further, saying U.S. energy prices ought to be like prices in Europe, where \$10 dollar a gallon gasoline is common.

\$4 a gallon gasoline just about killed states like mine and many others. President Obama has us heading in that direction again. I can't even imagine what \$10 dollar a gallon gas would do to American families now.

Whatever might result from the new spending and higher Obama taxes will never catch up to the excessive, damaging costs of the Obama budget, especially in energy.

Republicans have a better idea on energy: Let's employ ALL proven American technology and resources in development of ALL energy sources; and the expansion and

modernization of the national electrical grid to transport renewable energy to homes and businesses;

America's energy policy must be "more energy," because we know if you want the price of something to go down, the best thing to do is get the supply to go up.

Certainly conservation has a role, but, by and large, increasing production and finding more efficient, cleaner sources of energy are our future challenges.

Today we are concerned about the high cost of energy and the harm it does to our families and our economy. But, we also need to think ten or fifteen years from now when the question won't be, "How much does it cost?" The question will be, "Can we get it?"

Our answer must be yes. America needs abundant, affordable, American energy. And, honest federal budgets.

Sources:

Wall Street Journal
December 12, 2008

"Somehow we have to figure out how to boost the price of gasoline to the levels in Europe," Mr. Chu, who directs the Lawrence Berkeley National Laboratory in California, said in an interview with The Wall Street Journal in September.

US News&World Report
February 25, 2009

"After saying in September that he wanted taxes in the United States to ramp up the price of gas to European levels, encouraging fuel efficiency, Chu was forced to backpedal at his nomination hearings."

San Francisco Chronicle
January 17, 2008

OBAMA: Let me sort of describe my overall policy.

OBAMA: I was the first to call for a 100% auction on the cap and trade system, which means that every unit of carbon or greenhouse gases emitted would be charged to the polluter. That will create a market in which whatever technologies are out there that are being presented, whatever power plants that are being built, that they would have to meet the rigors of that market and the ratcheted down caps that are being placed, imposed every year.

OBAMA: So if somebody wants to build a coal-powered plant, they can; it's just that it will bankrupt them because they're going to be charged a huge sum for all that greenhouse gas that's being emitted.

OBAMA: That will also generate billions of dollars that we can invest in solar, wind, biodiesel and other alternative energy approaches.

OBAMA: What I've said is that we would put a, uh, cap-and-trade system in place that is more -- that is as aggressive if not more aggressive than anybody else's out there. So if somebody wants to build a coal-powered plant, they can. It's just that it will bankrupt them because they're going to be charged a huge sum for all that, uh, greenhouse gas that's being emitted.

OBAMA: When I was asked earlier about, uh, the issue of coal, uh, you know, under my plan, uh, of a cap-and-trade system, electricity rates would necessarily skyrocket.